

PRIVATE SECTOR PROGRAM

MICRO, SMALL, AND MEDIUM SIZE ENTERPRISES (MSMEs)

Activity Title: Enterprise Development and Strengthening (EDS)

Implementation Timeframe: December 2002 – September 2007

Objective: To facilitate sustainable growth and development of MSMEs by providing comprehensive access to credit, capital, and investment finance through NGO-based lending, private micro-finance companies, and commercial banks.

Description: The EDS activity builds on the successful results of the previous USAID-funded micro-lending activity. The first component of the EDS activity supports micro-lending expansion to underserved markets in Romania and provides eligible MSMEs with a mixture of complementary loan products and services to sustain their continued growth and development. The second component of the EDS activity supports the creation of a Microfinance Coalition to offer credit services to MSMEs throughout Romania.

Due to the extensive economic effects of the 2005 flooding, a variety of flood relief projects are also being implemented through the EDS activity. For more information on USAID/Romania's flood relief projects, visit http://www.usaid.gov/locations/europe_eurasia/countries/ro/

Implementing Partner: CHF International (Community, Habitat, Finance)

Website: <http://www.chf.ro>

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Activity Title: Romanian-American Enterprise Fund (RAEF)

Implementation Timeframe: August 1994 - August 2009

Objective: To run investment and loan programs, raise additional funds from private and public sources to be invested in Romania's emerging private sector, provide advisory services to Romanian financial institutions, match U.S. with Romanian companies, and support U.S. trade and investment.

Description: RAEF was established in mid-1994 by the U.S. Congress, incorporated as a not-for-profit private organization under the laws of the state of Delaware. RAEF provides both investment and loan programs for private businesses in Romania. It raises additional funds from private and public sources to be invested in Romania's emerging private sector. It also provides advisory services to the Romanian Investment Fund, and offers technical assistance to qualified companies. RAEF's current operations include: a Major Transaction Program (investment in equity and convertible instruments), Micro Loan Programs (lending to private MSMEs), and a Mortgage Program.

Implementing Partner: The Romanian American Enterprise Fund (RAEF)

Website: <http://www.raef.ro/en/>

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FINANCIAL MARKETS/ FINANCIAL INSTRUMENTS

Activity Title: Financial Markets Reform in Romania

Implementation Timeframe: October 2001 - June 2007

Objective: To contribute to overall economic growth by attracting foreign investors, improving liquidity, and re-establishing credibility in Romanian financial markets.

Description: USAID assists Romanian banking and government entities, the National Securities and Exchange Commission, and the markets themselves (BVB and RASDAQ) to support the long-term, sustainable development of capital markets in Romania. Concretely, activity goals include the reduction of corruption, the improvement of corporate governance and market transparency, the provision of training for judicial system participants who enforce capital market regulations, and the provision of technical assistance for the introduction of new financial instruments.

Implementing Partner: Deloitte Touche Tohmatsu

Website: <http://www.deloitte.com>

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AGRICULTURE

Activity Title: Romanian Agribusiness Development and Policy Support Project

Implementation Timeframe: September 2002 - September 2007

Objective: To address challenges in the agricultural sector while calling for a reduction of state interventions and the creation of opportunities for significant growth of agriculture and agribusiness. This is accomplished by speeding up the privatization of state enterprises, supporting agriculture policy and regulatory reform, improving credit availability for the agricultural sector, strengthening the role of private associations in Romanian agriculture, promoting cost-efficient and environmentally sustainable production, and promoting trade and investment in the agricultural sector.

Description: USAID works with the Ministry of Agriculture and other government institutions to promote the growth of agribusiness in Romania. Assistance includes the provision of technical expertise and the facilitation of “AgLinks” between Romanian and U.S. companies in order to encourage trade ties, joint ventures, and investments. The warehouse receipt system,

forestry management, alternative uses of agricultural wastes and agricultural by-products, environmental sustainability, and assistance in leveraging funding from other major donors are also objectives of the project.

Due to the extensive effects of the 2005 flooding on Romania's agricultural sector, this project also includes flood relief activities. For more information on USAID/Romania's flood relief projects, visit http://www.usaid.gov/locations/europe_eurasia/countries/ro/

Implementing Partner: U.S. Department of Agriculture (USDA)

Website: <http://www.usda.gov>

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ENERGY

Activity Title: Romanian Energy Program, Phase III (REP3)

Implementation Timeframe: September 2005 – August 2007

Objective: The Romanian Energy Program, Phase III, assists Romanian counterparts and stakeholders under the Romanian Energy Program, Phase III (REP3) to implement a social safety net program to mitigate the adverse impacts of increasing energy prices, increase Romania's competitiveness, and support Romania in the Black Sea regional energy market.

Description: The program has two components, the Social Safety Net component and Promotion of Regional Energy Cooperation. In the first component, legislation and policy relevant to lower-income consumers is monitored and revised. In the second, REP3 supports Romania's participation in Black Sea Regional Cooperation and co-organizes a Black Sea Regional Energy Conference in Bucharest for major regional energy-market players to discuss key issues and gain consensus on priorities. Project experts leverage Romania's advantages in the region, including the country's central location in energy transport networks, relatively strong transport infrastructure, membership in the UCTE, and a major role in technology transfer from the EU and US to other countries.

Implementing partner: International Resources Group (IRG) Ltd.

Program Web Page: www.rep3.ro

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ENVIRONMENT

Activity Title: Support to Enhance Privatization, Investment, and Competitiveness in the Water Sector (SEPIC)

Implementation Timeframe: August 2003 – August 2007

Objective: To protect water resources from depletion and pollution for the benefit of the public

and of the industrial and agricultural sectors.

Description: This activity focuses on bringing competitive management, regulatory compliance, and funding to the water industry to help stimulate economic growth and prosperity. The project also addresses barriers to transferring state-owned assets to private owners.

Due to the extensive environmental effects of the 2005 flooding, a variety of flood relief projects are also being implemented through the SEPIC activity. For more information on USAID/Romania's flood relief projects, visit http://www.usaid.gov/locations/europe_eurasia/countries/ro/

Implementing Partner: Chemonics International

Website: <http://www.chemonics.com>

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FLOOD RELIEF

In addition to the flood relief activities mentioned above, USAID oversees projects implemented by International Orthodox Christian Charities (IOCC) in counties including Bacau and Galati. For more information on USAID/Romania's flood relief projects, visit http://www.usaid.gov/locations/europe_eurasia/countries/ro/

Implementing Partner: International Orthodox Christian Charities (IOCC)

Website: http://www.iocc.org/countries_romania.shtml

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